THE UNIVERSITY OF CHICAGO ROUND TABLE

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Crisis Administration

A SERIES ON

DEMOCRATIC GOVERNMENT IN CRISIS

N. H. JACOBY · D. K. PRICE · I. F. STONE

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ROUND TABLE

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NOTE

The supplementary information contained in the footnotes to the following text, developed by staff research, is not to be considered as representing the opinions of the ROUND TABLE *speakers. Following the transcript of the broadcast are questions which readers may wish to use for analysis and discussion. It is hoped that teachers and discussion leaders may find this additional service of the* ROUND TABLE *transcript helpful in their study of the subject discussed in the broadcast.*

CRISIS ADMINISTRATION

A UNIVERSITY OF CHICAGO ROUND TABLE BROADCAST*

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I. F. STONE, Washington Correspondent, *Nation* and *PM*

(*See pages 23–24 for further information*)

* A radio discussion broadcast from the University of Chicago, over stations of the National Broadcasting Company, Sunday, November 22, 1942, at 1:30 P.M., Central War Time.

The ROUND TABLE, oldest educational program continuously on the air, is broadcast entirely without a script, although participants meet in advance, prepare a topical outline, and exchange data and views. Subjects are chosen because of their social, political, or economic significance. The program has no "ax to grind." In the selection of speakers, the effort is to provide a balanced discussion by participants who have special competence and knowledge. The opinion of each speaker is his own and in no way involves the responsibility of either the University of Chicago or the National Broadcasting Company.

CRISIS ADMINISTRATION

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Critics have charged, at various times, that the war is being lost because of inefficient administration, that confusion exists, that there is a great amount of overlapping and waste, that the whole war effort lacks central planning. Is there any truth to these statements? If so, what should be the basis of reorganization and planning? What is the responsibility of the executive branch of government? What role should Congress assume in administering the war?

Supporters of the New Deal claim that its social program of rehabilitation has aided the total war effort both by restoring faith in democracy and by better fitting people to meet a crisis. Critics, on the other hand, claim that New Dealism impedes effective administration of the war. What does the evidence show?

To discuss "Crisis Administration," the University of Chicago ROUND TABLE *presented three expert observers in the field of public administration.*

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MR. JACOBY: Washington is now the general headquarters of the United Nations. There a war effort involving more than one and a half billion people all over the world is being conducted through eighty-one separate agencies of government, who employ about three million people.[1]

Mr. Leon Henderson, of the Office of Price Administration, has become, in a sense, a clerk in every grocery store; Mr. McNutt, the

[1] See charts, pages 14–15.

War Manpower Commission head, has become the personnel officer in every business; and Mr. Landis, of the Office of Civilian Defense, is, in a sense, assistant mayor in every town, village, and city in the country. Am I overestimating the facts?

MR. STONE: Not at all. A somewhat longer view, however, may make it easier to understand this multiplication of new government agencies.

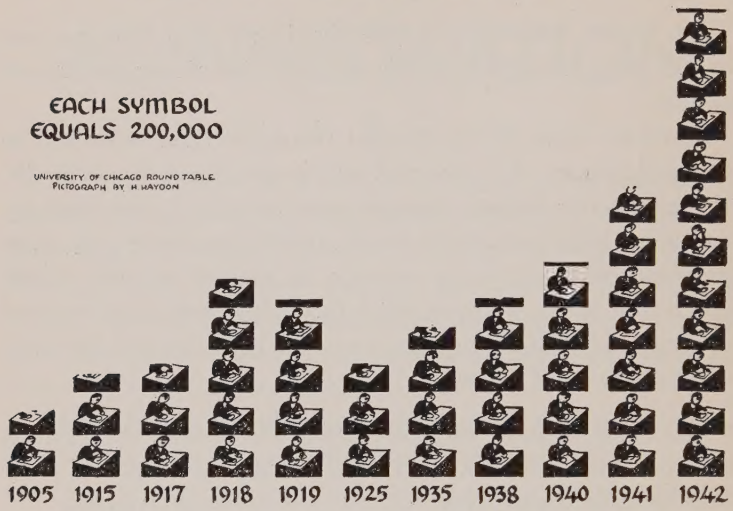
As we all know, during the past two generations we've had an increased amount of government interference in our economic life. As the economic highways became more crowded, it was necessary to establish more and more economic traffic cops. Since 1933, when President Roosevelt had to untangle the greatest economic traffic snarl of our times, we have had a further increase in government regulatory and supervisory agencies. The third increase has come with the advent of the war.

MR. PRICE: I think your point about the increase in regulation and control is well taken, but I think it has to be broadened to include increased participation by everyone in the government.

The figure that critics of the administration quote—five and a half million government employees—is not much to the point for two reasons. First, it includes a million or so schoolteachers and similar people who have something to do with the war effort but couldn't be criticized as being under the same central administration. Second, it leaves out the tremendous number of people who are working for the government though they aren't on the government pay roll—the guard in a munitions plant, the draft boards in every city and village in the country, the civilian defense block organizations and volunteer workers—we're all a part of the government organization now, even though we're not technically on its pay roll.

MR. JACOBY: Of course, in one way you also could add in all the people who are working in mines and farms and factories that hold government contracts. They, in a sense, are working for the gov-

CIVILIAN EMPLOYMENT IN THE EXECUTIVE BRANCH OF THE FEDERAL GOVERNMENT*



* From *Civil Service Commission Report, June 30, 1942.*

ernment, too. That adds up, or will soon add up, to at least half of the total labor force in the nation.

But isn't there a more fundamental aspect of crisis administration? I'm thinking of the fact that all these trends point to the conclusion that economic controls are passing away from the individual businessman and individual consumer into the hands of government.

Mr. Stone: Perhaps we might say that we're all in the Army now. Just as the individual who's been drafted finds himself controlled by his sergeant, so, in a sense, our whole nation of a hundred and thirty million people finds itself mobilized by a new corps of economic sergeants, represented by these new government agencies.

Mr. Jacoby: There's been a lot of criticism of these new agencies, and I think that the mistakes that have been made are in-

evitable, because the war effort has expanded so vastly beyond anyone's comprehension that our organization has had a hard time keeping up.

It's like a hunter trying to take aim at a target that's rising rapidly. As soon as he gets his aim set, the target changes position, and away it goes again. The process is one of constant readjustment.

MR. PRICE: It helps to remember that if one takes the federal expenditure figures and compares 1943 with 1934, he finds that the war expenditures are multiplied by more than a hundred times but that the nonwar expenditures have actually decreased. The major problems that we're striking are in that area of war expenditures in which we have a totally new area of government and a very great expansion.

MR. JACOBY: The fact is that if we compare our war effort—and we've been at war now almost a year—this time with the war effort of 1917 and 1918, the situation looks pretty good. Our performance is not bad.[2]

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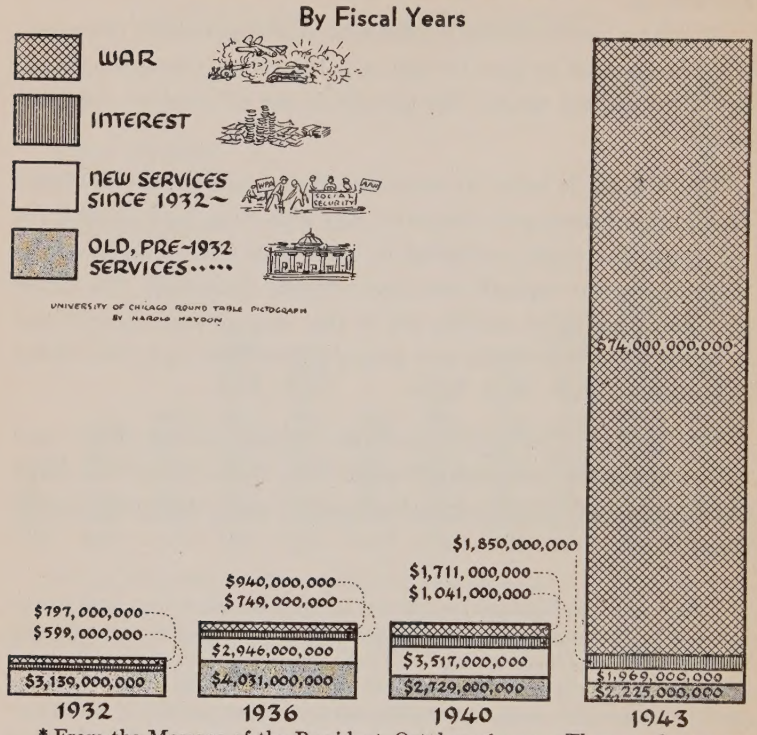
[2] The Council on National Defense was set up in the fall of 1916, with powers based on the National Defense Act of that year. The Council was charged with the responsibility of investigating industrial resources for war and of recommending measures for the mobilization of civilian resources. The actual work was done by an advisory commission which set up committees out of which war agencies were later to evolve. In March, 1917, in order to coordinate Army and Navy purchases, the General Munitions Board was created to aid in the acquisition of raw materials and to work toward more orderly relations between the needs of the armed forces and the industrial capacities of the nation. The Board's authority was vague, however, and its duties conflicted with those of other committees. To answer the need for a more compact group and more centralized authority, therefore, the War Industries Board was organized on July 28, 1917. It was with the appointment of Baruch as chairman on March 4, 1918, that the Board began to become really effective. He secured the powers that he regarded as essential; industrial mobilization was centered in one agency; all orders for war supplies were cleared through the Board; all requirements anticipated were likewise reported; and a system of priorities was instituted. The actual administration was left largely in the hands of the manufacturers. Authority for action was delegated to subordinates. In general, Baruch chose men from among the



* From the Message of the President, October 16, 1942. The 1943 figures are as of estimates of October, 1942.

By the end of 1918 about a quarter of our total production was devoted to war, but, by the end of 1943, after two years of war, at least 50 per cent and possibly 60 per cent will be.

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successful managers of large industry rather than from among owners. The Board's policy was to win compliance rather than to regulate by fiat. Its task was to secure agreement.

At the height of the last war effort, the "War Council" included the heads of the War Industries Board, the War Trade Board, the United States Food Administration, the United States Fuel Administration, the Railway Board, the Shipping Board, the War Labor Board—all emergency agencies.

MR. PRICE: There's a real reason for that. The government this time was far more advanced in looking ahead to its problems. The National Defense Advisory Commission, for example, in the last war had to take up and determine the question of whether there should be a substitute for draft for military service.

I think that the foresight has been due to some pretty constructive administrative planning that's been done since 1935 or so and, specifically, to the way in which the President has been equipped, through his Executive Office and the agencies like the Bureau of the Budget, to look ahead and think about his problems and prepare to meet them by good organization.

MR. STONE: I think what you say is right, but I doubt the wisdom of dwelling on it at this time. A good football coach doesn't praise his team until the game is over, and we still have a long, hard game ahead of us.

MR. JACOBY: Very true, but, after all, we ought to scotch a lot of the loose talk that's now going about the country that we're losing the war and that this administration is incapable of winning a war.

MR. PRICE: We're grandstanding on the team, too, and we can cheer a little, I think, as we play in this case.

MR. STONE: What we have to hit is a happy medium between a foolish despondency and an equally foolish complacency. Someone asked me the other night at dinner about all this terrible chaos in Washington, and I said, "Suppose your husband suddenly came home, without notice, with thirty extra guests for dinner. You'd have a lot of chaos, too." There is a great deal of chaos, and it must be corrected, but it would be foolish to let it depress us unduly.

MR. JACOBY: That brings us to the first main question to which we ought to devote attention on the ROUND TABLE.

ANNOUNCER: *How well we are administering our war program is a question posed by* ROUND TABLE *listeners. Some listeners maintain*

that New Deal social reforms are retarding full government efficiency. Others argue that if only we had better men in key jobs, things would improve. Have social reforms caused a lag in production? Has Uncle Sam found the best possible men to administer the war?

MR. JACOBY: It's my feeling that the efforts of certain groups in the administration to change the rules of the game in order to work social reforms during the war have retarded the war effort. I have in mind such actions as this attempt to put a twenty-five-thousand-dollar limit on personal income. That measure has really very little relation to the war effort. It's provoked a lot of controversy. It's caused a lot of personal readjustment on the part of people whose time could better be devoted to production. It doesn't mean a thing in terms of stopping inflation, and it may actually reduce the amount of revenue that comes into the federal treasury.[3]

MR. STONE: But I think you overlook the morale factor. An important thing in a war is to maintain equality of sacrifice. While some men are away fighting at fifty-five dollars a month, it is unwise to stress the folly of cutting other people's income down to twenty-five thousand dollars a year.

As a matter of fact, I think it would be much more popular with the American people if, instead of trying to set a ceiling on income, the President had set a floor on income and guaranteed every American family a basic standard of subsistence both now and after the war was over.

MR. JACOBY: I don't think it's a problem now. Our main problem is keeping personal income from getting too high. But to come back to your first statement that it would improve morale to put on such a limit. The fact is that the man who's clipping coupons can make an unlimited amount, whereas the man who is working for an income can't.

MR. PRICE: It seems to me that you both are dwelling upon so-

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[3] See *Limiting Wartime Incomes*, a University of Chicago ROUND TABLE transcript, No. 220, broadcast May 31, 1942.

cial reforms that aren't the major ones. The ones that are really at debate are the big government services that have been developed during the last ten years, not the government regulations. Housing, for example, and old age pensions, and better nutrition, and so forth. Those things, while they don't show up on the balance sheet of a single corporation, may add tremendously to the total productivity of our national war machine and to the total ability of the country to fight a war.

Mr. Jacoby: I'm not debating the wisdom of feeding factory workers well or of housing them well. I say we should do everything that helps win the war. What I am saying is that such actions as introducing controversial questions that take up people's time are inadvisable.

Another illustration! What's the use of prosecuting corporations under the antitrust laws for holding up prices, when the fact is that they're selling 80 or 90 per cent of their production to the Army at a price fixed by the Army? It simply takes up a lot of executives' time unnecessarily.

Mr. Stone: In my opinion this talk of social reforms interfering with the war effort stems from the old animus against the New Deal. Very few people seem to realize how much the New Deal social reforms have meant in improving the defense and the morale of our country. The New Deal proved, first of all, that democracy does work. It made it possible for the workers of this country to win the right to bargain collectively and to organize. It made it possible for the farmers and the great masses of this country to obtain greater security, a certain amount of unemployment insurance, and old age pensions by the use of their ballot. It proved that democracy worked and that democracy was worth fighting for.

Second, we've just begun to realize that our most important natural resource is our people. Ill-fed people make very poor soldiers. Illiterate people cannot understand instructions and cannot quickly grasp how to handle the complex mechanisms of modern warfare. The New Deal measures that improved the health and the

housing of the people also improved the caliber and the strength of our future soldiers.

Mr. Jacoby: You're setting up straw men here to knock down. Nobody's going to advocate that children should have less milk. We're talking about the efforts that are being continued during the war to bring about controversial changes in the rules of the game. I see that we can't agree as to their importance, but I think there is another question—another cause of retardation in the war effort that we can discuss. Has it been a result of bad personalities in administration or a result of bad organization? I take the view that it's primarily poor organization. Would you agree?

Mr. Stone: Primarily, the defects of the war effort arise from the feelings of all of us. The basic fact is the willingness of each one of us to accept certain sacrifices and certain disarrangements of our personal lives to defend the country. Until we feel that deeply, until we're prepared to cooperate with the government, any administrator is going to be ineffective and inefficient. I do not think it's merely an organizational problem. Of course, we must have better organization at Washington. But the solution lies not in drawing new charts on paper, and it does not lie in looking about for a new wonder man who can do the job for us. It lies in so reconstructing the war effort as to give the masses of the people in the small towns, in small businesses, in labor unions, on the farm, greater participation in the war effort directly at home and through their representatives at Washington.

Mr. Price: Can't we get that by a better organization that will release people's energies and encourage them to cooperate? The person in the civilian defense block organization gets discouraged and says the war is not one that he can take a part in if he fails to get promptly the go-ahead that the top organization can give him.

Mr. Jacoby: Let's be specific. Judge Byrnes has been given the job of stabilizing the economy, of preventing prices and wages from rising. It doesn't do any good to throw out Judge Byrnes and put

CIVILIAN EMPLOYMENT AND PAY ROLL IN THE EXECUTIVE BRANCH OF THE FEDERAL GOVERNMENT*

* From *Civil Service Commission Report, June 30, 1942.*

in Joe Bloke, or somebody else, to do that job, if he hasn't got authority commensurate with his responsibilities. The real elements that are required for economic stabilization are higher taxes and perhaps compulsory savings. We must put under one head all those powers in order to get results. That's what I mean by good organization.

Mr. Stone: But Byrnes will get more cooperation because he has working with him a board that represents all the different elements of our population.

Mr. Jacoby: You don't run a war on a committee basis. In a time of need when fast action is required, we know that military organization is the one for getting action. There must be one commander who in the ultimate analysis, after consulting with his subordinates and associates, gives the orders which nobody questions.

Mr. Price: That point has its validity on the field of battle where people haven't time to discuss things. But in civilian administration I think you're in a quite different situation.

Mr. Jacoby: I disagree. We haven't very much time to discuss things on the production battle line either.

Mr. Price: But to decide a point requires the point of view of a whole group of experts, each representing a different point of view.

If they're ignored and if there isn't machinery for bringing the different points of view together, no top man can make the decision.

MR. JACOBY: True, but a good executive will get those points of view.

MR. STONE: One of the difficulties today is that we have the machinery but not the men. We have industry committees, we have commodity branches in Washington, but they represent small cliques, linked up with the bigger units in each business, and do not represent the small businessman, the independent businessman, or the worker in the production picture.

MR. PRICE: I don't think the administration officials ought to represent anybody but the government. I think that any administrative official, any department head, ought to think of himself as representing the government alone and ought to pick men to represent the government alone.

MR. JACOBY: That's well put.

MR. PRICE: The place for representation ought to be in an advisory capacity. I think that they ought to get men with different points of view and avoid concentrating people of a single type, because that freezes the approach of the administration.

MR. JACOBY: That brings us right into the heart of the second major question that we ought to discuss.

ANNOUNCER: *Should the President delegate more of his great personal war authority to a few key men? Last week, for example, the chairmen of five Senate and House committees recommended unified control of the nonmilitary economy by putting production, manpower, and supply under one civilian director. Would such a plan result in better wartime administration? How would Congress fit into this picture?*

MR. JACOBY: Speaking for myself, I should say that the congressional recommendation is a good one. It seems to me that the

war effort would be furthered if the President would appoint an economic mobilization head, who would have power to direct not only financial questions, price questions, but also raw materials and manpower matters.[4]

MR. PRICE: If one takes that specific area of our operations out of the hands of the President, as your statement seems to imply, and puts it in the hands of another administrator, then his functions and his decisions conflict with those of the military, perhaps, and with those who are making other types of political decisions. One really doesn't solve the questions by delegating everything to a strong man under the President. One only multiplies them.

MR. JACOBY: One is not delegating all of them. What he is doing is saying that, as far as the civilian economy is concerned, there will be one man answerable to the President. That leaves the President free to devote his time to the vastly important questions of global strategy and warfare.

To be specific, the President shouldn't have to decide how much steel should be used for shell casings and for guns, but he should

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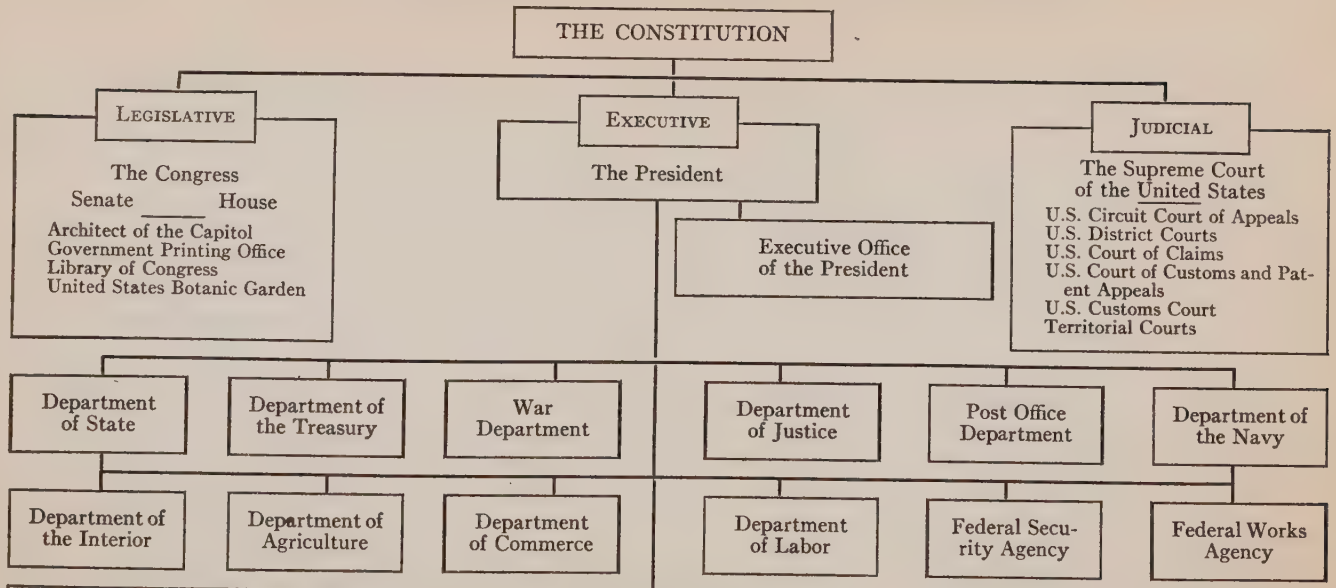
[4] Recently, the chairmen of five special Senate and House groups investigating the conduct of the war on the domestic front (all of them supporters of the New Deal) joined in a drive for legislation to force a unified control of the nonmilitary economy of the country by putting production, manpower, and supply "under one civilian roof" and in command of a single director. They recommended the creation of an over-all Office of War Mobilization which would absorb, among other agencies, the War Production Board, the Selective Service System, the Office of Economic Stabilization, and the procurement divisions of the War and Navy departments and of the Maritime Commission. The bill that they proposed would also end the use of dollar-a-year men, and it would give both labor and agriculture representation on the top capitol Board of War Mobilization. Giving their support to the measure were Senator Pepper of Florida, chairman of the Senate's Education and Labor Subcommittee on Manpower; Senator Truman of Missouri, chairman of a special Senate committee investigating the defense program; Senator Kilgore of West Virginia, head of the Truman Committee's special subcommittee on technological mobilization; Representative Tolan of California, chairman of a special House committee on national defense migration; and Senator Murray of Montana, chairman of a special Senate committee on small business.

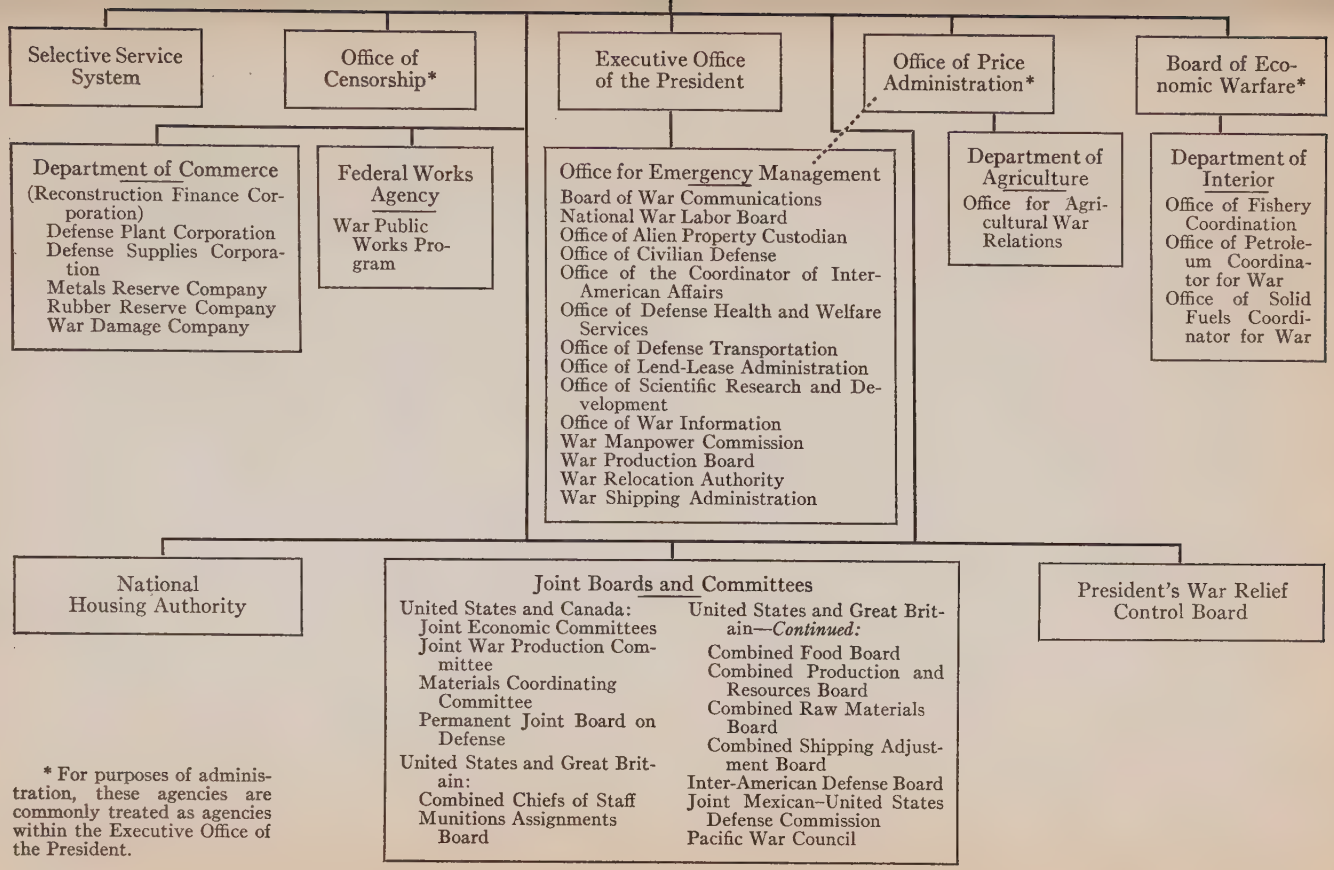
THE GOVERNMENT OF THE UNITED STATES



American Battle Monuments Commission
Board of Governors of Federal Reserve System
Board of Investigation and Research—Transportation
Commission of Fine Arts
District of Columbia
Federal Board of Hospitalization
Federal Communications Commission
Federal Deposit Insurance Corporation
Federal Power Commission
Federal Trade Commission

General Accounting Office
Interstate Commerce Commission
National Advisory Committee for Aeronautics
The National Archives
National Capital Park and Planning Commission
National Labor Relations Board
National Mediation Board
Office of the Bituminous Coal Consumers' Counsel

Railroad Retirement Board
Securities and Exchange Commission
Smithsonian Institution
Tennessee Valley Authority
United States Board of Tax Appeals
United States Civil Service Commission
United States Employee's Compensation Commission
United States Maritime Commission
United States Tariff Commission



* For purposes of administration, these agencies are commonly treated as agencies within the Executive Office of the President.

make such a decision as to how much steel ought to go to our armed forces as a whole, how much on Lend-Lease to our Allies, and how much to Latin America for political purposes.

MR. PRICE: That's true. The President, though, has the main difficulty of getting the information on which to base that decision. It's more a case of knowing the problem than it is an arbitrary judgment or picking the answer out of the air. He needs institutional devices underneath him to make sure that points of view aren't overlooked. Without holding up things by endless committee decisions, he needs to provide for discussion among all the major interested administrative elements, such as in the war manpower question right now. Apparently the War Manpower Commission, whether through lack of congressional authority, whether through lack of enough power in the chairman, or what not, isn't answering all the questions that are arising as between military and civilian problems.[5]

MR. STONE: The War Manpower Commission illustrates the fact that a delegation of powers is not sufficient. One has to pick a man forceful enough to use the powers he is given.

We had a Defense Commission; we had a SPAB; we had the WPB; we had the Manpower Commission, with adequate powers, adequate delegation powers in most cases, but the men at the head of them were not able to use those powers, partly because the public itself was not prepared to go along with them, partly because of their own lack of personal forcefulness, and partly because the organization under them wasn't really keyed up to carrying out their orders.

MR. JACOBY: I disagree fundamentally. It wasn't a matter of the individuals concerned. They may well have had the ability to do a good job, if they'd had the power.

To illustrate: General Leslie McNair told a graduating class of

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[5] See *Manpower*, a University of Chicago ROUND TABLE transcript, No. 241, broadcast November 1, 1942.

armored forces down at Fort Knox yesterday that we're close to a decision as to how big we'll make our Army and how big we'll make our merchant marine. There comes a time when we have to choose whether or not we're going to have a man build ships in the shipyards or put him in the Army, because it's no good to put him in the Army if we haven't got ships to take him to the fighting front.

MR. PRICE: That can't be left either to the Army or to the Maritime Commission. There has to be an agency above both which has the power to make decisions and, furthermore, which is organized to do it.

I think it is unfair to the head of the War Manpower Commission to talk only about the powers, or mainly on the powers angle. After all, the people who are now screaming bloody murder because Mr. McNutt isn't mobilizing manpower are exactly the same people who were opposing the development of the employment service and the other measures for regulating the allocation of labor a year or so ago.

MR. JACOBY: I think we have agreed that there should be centralized authority, although we do disagree on the benefits it will bring about. Mr. Stone doesn't think it will do much. In any case, supposing we do have centralized authority. What is the place of Congress in a war administration.

MR. PRICE: I think one of the best examples of what Congress can do is the series of reports that the Tolan Committee has put out in recent years on the problem of manpower, on production, and on migration of workers due to national defense work. The function of Congress is to criticize administration as it is conducted from week to week. It can do that, leaving plenty of authority to the Executive, and still retain the full control that Congress ought to have in our constitutional scheme.

MR. STONE: Congress has shown more comprehension of many of these problems than the WPB has.

MR. JACOBY: I say that Congress has shown more comprehen-

sion and has streamlined itself for war activity more than the Presidency has as yet.

MR. PRICE: I wouldn't think the filibuster of the last week would show that.

MR. STONE: Congress has acted as the people's watchdog over the war program. The Gillette Committee did a much better job than the dollar-a-year-men of the WPB on rubber. The Truman Committee and the Tolan Committee have done excellent jobs. The Murray and the Patman committees have shown how small business has been left out of the program. The Vincent Committee has helped us recover millions of dollars in exorbitant profits.

MR. JACOBY: Yes, and the Manpower Commission has shown how certain unions have obstructed the war effort by charging big fees to get into unions that are engaged in war construction. I mean we can point, if we will, to mistakes and bad judgment that have been exercised all around the table. The point is that we should have an executive strongly equipped to take action. The place of Congress is to sit by and appraise and review that action and to criticize it when it fails.

MR. PRICE: I think that's a fair statement. The recommendation that was announced in the paper this morning by the Ways and Means Subcommittee—that the President be given vastly extended powers over the laws relating to immigration, provided that Congress can retract those powers at will—is a good example of how Congress can give lots of authority and still keep its responsibility for the way the powers are exercised.[6]

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[6] New war powers permitting President Roosevelt to suspend immigration, tariff, and espionage laws, but limiting the duration of such suspensions, were approved Saturday, November 21, by a House Ways and Means subcommittee.

Authority for the suspensions had been requested by officials of the War, Navy, and Justice departments and by the War Production Board. They said that red tape was interfering with the free movement through the United States of personnel and supplies.

As a concession to the critics of the original draft, which was submitted by

MR. JACOBY: I'd just like to throw in this thought. We're now running up against shortages in raw materials and in manpower that will become more acute as we reach the limit of our own resources. The Automotive Council for War Production, for instance, is reporting that raw-material shortages are limiting the production of trucks. That emphasizes the need for more careful scheduling of production and for eliminating all the conflicts in authority as between Lend-Lease and the War Production Board and the Council for Economic Warfare.

MR. STONE: More basic than the organizational problem there is the approach. Are we going to cut down our war-production program to our materials, or are we going to put on a real fight and use all the imagination and ingenuity we have to increase the amount of our materials?

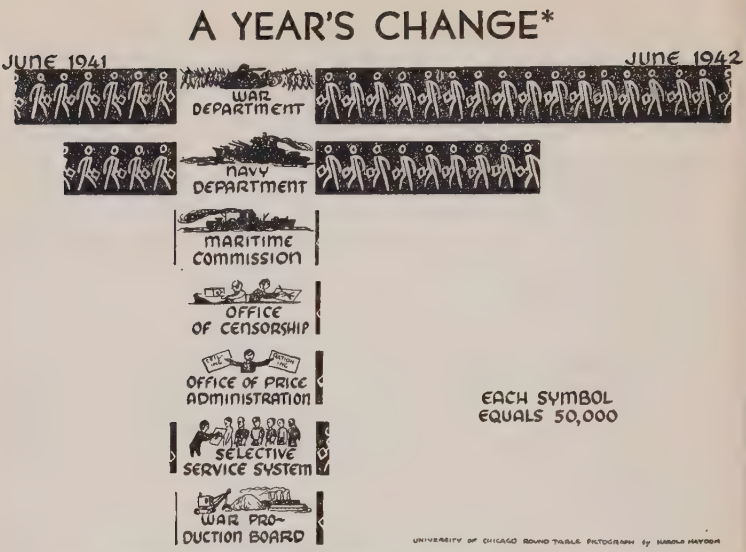
MR. JACOBY: That's not the question I submit. The question is: Will we so organize ourselves as to utilize all our materials and have them in the right places at the right time?

MR. STONE: Until we reorganize the War Production Board so that new ideas, independent men, and new ways of doing things get a hearing, we're going to find our raw-material supply limited by conventional ways of doing business.

MR. JACOBY: There's another question that I think is in everyone's mind and which we ought to deal with.

ANNOUNCER: *One of the questions most frequently asked by listeners is this: Aren't all the wartime administrative controls dangerous to democracy? Once we start telling business what to produce, labor where to work, consumers what to buy, and motorists how to drive, can we ever restore our economic freedom?*

Attorney-General Francis Biddle, the subcommittee voted that all suspensions would cease on the earliest of the following dates: December 31, 1943, the day following the day the President proclaims the end of the war, or the date specified in a concurrent resolution of Congress. This latter resolution would not require presidential signature.



* The change in civilian employment in some of the principal war agencies. From *Civil Service Commission Report, June 30, 1942.*

Mr. Jacoby: Of course, wartime controls are dangerous to democracy. There's always an outside chance that they'll be kept, but, after all, the real danger is the threat of enemies on our shores. The wartime controls are merely devices for reducing a danger that's bigger than they are.

Mr. Stone: In other words, it's the crisis and not the crisis powers that threatens democracy?

Mr. Jacoby: Precisely.

Mr. Price: When it comes to the end of the war, if we're fighting this for the Four Freedoms, I think we've got to look at what the two latter freedoms mean to us. The freedom of speech and the freedom of religion call for the government's not doing certain things to us. But the freedom from want and the freedom from fear call for governmental intervention in an active sense and a kind of intervention that we must never let it give up.

I don't think that we have to worry about giving authority to the government. I think we must make sure that we control it and guide it in the way that we want it to go and see that it's responsible.

Mr. Stone: More important than this theoretical problem of how much government control will be abandoned after the war is our moral obligation to our men and boys after they come back, to provide them with jobs, to provide them with land.

Mr. Jacoby: I for one am not so much worried about the continuation, indefinitely, of this wartime strait jacket we're putting on as I am about throwing aside these controls too quickly when the war ends. Think of a situation where five or six million men might suddenly be demobilized and thrown back into the country, when we take off rationing and price controls, and people start bidding up the prices of the short supply of consumer goods. We might have a tremendous inflation that would dwarf that of the last war.

Mr. Price: Certainly, it will take all of our thinking to make sure that we're not going to overlook those problems ahead.

But, after all, what we did not have in the last war we do have now—a President equipped with an Executive Office and with an Office for Emergency Management to handle matters like that in an administrative way and equipped with the greatest amount of flexibility. Flexibility is going to be a thing we will need a great deal of as this war comes to an end.

Mr. Stone: One of the principal duties of these new agencies is to see that we don't emerge from the war with our economy dominated to a much greater extent than ever before in our history by great monopolies.

Mr. Jacoby: Precisely, and another duty of those agencies, I should say, is to create the conditions under which the free enterprise system, which is the one that has been a part of our national life, will have a chance to create the jobs that are necessary to carry us forward.

Mr. Price: After all, Congress and the President are going to lay down the main lines on such matters as that, but the whole administeration is better geared to it than it was a few years ago.

Mr. Jacoby: We can agree that the heart of the crisis administration problem is a shift of economic power from the individual to the government. Global war has given rise to such unexpectedly vast problems that the administrative organization of government hasn't caught up with them.

Compared with the last war, the American war-production record this time is very creditable. But it's not satisfying, because the President has not yet organized effectively the executive arm of government. I think we agree that he should delegate to one man the job of economic mobilization, freeing his own valuable time for questions of world-wide strategy and politics. Better organization will do a lot.

Around the Round Table . . . .

Neil H. Jacoby, last January appointed the Secretary of the University of Chicago, is also Professor of Finance in the School of Business at the University. Professor Jacoby graduated from the University of Saskatchewan as an honor student in economics and as the winner of the highest senior award—the Copeland Scholarship. In the fall of 1930 he came to the University of Chicago as a graduate student and assistant to Professor Simeon Leland of the department of economics. Government finance became his major field of interest, and he was just completing his Master's thesis on "Sales Taxation of the United States" when Governor Henry Horner appointed the young economist as supervisor of the Legal and Research Division of the Department of Finance of the State of Illinois, where he worked especially on the Illinois sales tax. During this time he also organized the National Association of Tax Administrators and the National Association of Liquor Administrators. Mr. Jacoby was meanwhile asked by the Premier of Saskatchewan to head a provincial tax commission to investigate the financial structure of Saskatchewan and its municipalities, and he was granted leave by the state of Illinois to execute this study. Mr. Jacoby has had experience in private business as manager of the research department of the investment banking and counsel firm of Lawrence Stern and Company. Lately, he was a member of the Illinois Emergency Relief Committee and worked on a study of the financial structure and business changes during the thirties for the National Bureau of Economic Research. Dr. Jacoby has written many articles and reports, and he has authored the following books: *Retail Sales Taxation* (1938); *Inter-government Fiscal Relations in Illinois* (1938) (with Leland and others); co-author of *Term Lending to Business* (1942); and *Accounts Receivable—Financing* (in press).

Don K. Price, since May, 1941, the assistant director of the Public Administration Clearing House, did his undergraduate work at Vanderbilt University. After receiving his B.A. degree there, he was selected as a Rhodes Scholar and went to Oxford University in England to study, where he was granted a B.A. and a B.Litt. degree. Upon returning to this country in 1935, he became research assistant of the office of the chairman of the Federal Home Loan Board.

Mr. Price has been particularly interested in city government and was on the staff of the International City Managers Association, where he made an extensive study of council-manager government. Mr. Price was an editorial assistant at the Public Administration Clearing House before he became assistant director. He is the co-author (with H. A. and K. H. Stone) of *City Manager Government in Nine Cities* (1940).

I. F. Stone has been a newspaper man since his student days at the University of Pennsylvania. He has done reporting on the *Haddonfield Public Press*, the *Camden Courier Post*, and the *Philadelphia Enquirer* and served as an editorial writer on both the *Philadelphia Enquirer* and the *Washington Post* before he became an associate editor of the *Nation* in 1938. Since 1940 he has been the Washington correspondent of the *Nation* and, since 1941, of *PM*. Mr. Stone is the author of *The Court Disposes* (1937) and *Business as Usual: The First Year of Defense* (1941), as well as a contributor to numerous magazines including the *New Republic*, *Current History*, and the *American Mercury*.

SUGGESTED READINGS

Daniels, Jonathan, "Organization for Civil Defense," *State Government*, September, 1942.

"Don Nelson's Men," *Business Week*, July 4, 1942.

Emmerich, Herbert, "Administrative Normalcy Impedes Defense," *Public Administration Review*, summer, 1941. *Jurisdictional jealousy, hobby-riding, "conferencing," and "memorandizing" are among the habits of administrative normalcy.*

"Here Comes the Army," *Time*, August 3, 1942. *Asks who is to be the real boss of U.S. war production.*

HERRING, PENDLETON, *The Impact of War: Our American Democracy under Arms.* New York: Farrar & Rinehart, 1941. *An analysis of war-emergency administration.*

"How To Save the WPB," *New Republic*, September 28, 1942.

JANEWAY, E., "Civilians Will Have Only Themselves To Blame if the Military Takes Over," *Fortune*, October, 1942.

KINGSLEY, J. DONALD, "Stabilizing the Home Front," *Current History*, November, 1942. *The story of the President's battle with the farm bloc.*

KIPLINGER, W. M., *Washington Is Like That.* New York: Harper & Bros., 1942. *A picture of life and government in Washington.*

ROOSEVELT, FRANKLIN D., "Veto of the Rubber Plan," *Vital Speeches*, September 1, 1942.

SANCTON, T., "Chaos in Production," *New Republic*, August 31, 1942.

STONE, I. F., "It's Not a Laissez Faire War," *Nation*, November 7, 1942. *A full review of the findings of the latest report of the Tolan Committee.*

———. "The Return of Bernard Baruch," *Nation*, October 17, 1942. *Analysis of the personnel in charge of the production effort.*

TRUMAN, H. S., "We Can Lose the War in Washington," *American Magazine*, November, 1942.

WHITE, L. D. (ed.), *The Future of the Government of the United States.* Chicago: University of Chicago Press, 1942. *A book with chapters by leading political scientists that indicates some of the present and future problems of crisis administration.*

QUESTIONS FOR ANALYSIS AND DISCUSSION

The following questions of wider scope, intended for discussion, are suggested by the broadcast, and answers may be found in the literature on the subject listed in the section "Suggested Readings," found on pages 24–25.

*

1. Which of the following recent statements do you agree with and why? Discuss.

   For all its defects, industrial mobilization under Roosevelt has been more effective than it was under Wilson and Baruch.—I. F. STONE.

   . . . . your [Roosevelt] war administration as at present constituted is incapable of fighting a good war . . . . the inefficiencies of the present setup are too dangerous for you to tolerate any longer. They are monstrous.—*Fortune* (Magazine) to the President.

   We do not have a completely national administration with policies, personalities and New Deal objectives shelved. . . . . New Deal objectives are in constant conflict with the will to win the war.—ROBERT MOSES.

2. To what extent are general criticisms of the war effort inevitable because the conditions criticized result from the enormous and complex task of making it a global war effort? Do you think that the victory in North Africa is evidence that all is *not* muddle and confusion in Washington? Discuss.

3. Do you think that a $25,000-a-year salary limitation destroys incentive and is an evidence that the New Deal is still conducting a class war, or is such salary limitation necessary to prevent profiteering and help check inflation? Do you agree with Mr. Jacoby that salary limitation and prosecution of corporations under the antitrust laws for holding up prices are examples of "efforts that are being continued during the war to bring about controversial changes in the rules of the game"?

4. What specific criticism and what specific praise would you advance on the way Washington is running the war? Do you think that it is possible to administer price, wage, rent, gas, tire, food, job rationing and control without making the majority of the people more or less dislike the government? Do you agree with Mr. Stone that "until we're prepared to cooperate with the government, any administrator is going to be ineffective and inefficient"? How do you think the masses of the people might be given greater participation in the war effort? Discuss.

5. What type of men do you think should administer these various wartime agencies? Army men? Civilians? Is the dollar-a-year man method of getting government executives satisfactory? Why does the recent five-committee congressional recommendation for a "one-man civilian rule of the home front" provide that no one in the government organization will be allowed to receive other compensation than that which he receives from the government?

6. Do you think rationing, price, and wage controls are limitations on freedom and, therefore, must be removed as soon as the war is over? If these new wartime government controls are abolished, how do you think the problems of demobilization and reconstruction will be met after the war?

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ROUND TABLE NETWORK OF 104 STATIONS

2:30 P.M. EASTERN WAR TIME

City	Call Letters	Kilocycles	City	Call Letters	Kilocycles
Allentown, Pa.	WSAN	1470	Lima, Ohio	WLOK	1240
Altoona, Pa.	WFBG	1340	Manchester, N.H.	WFEA	1370
Asheville, N.C.	WISE	1400	Miami, Fla.	WIOD	610
Atlanta, Ga.	WSB	750	New York, N.Y.	WEAF	660
Baltimore, Md.	WBAL	1090	Norfolk, Va.	WTAR	790
Bluefield, W.Va.	WHIS	1440	Philadelphia, Pa	KYW	1060
Boston, Mass.	WNAC	1260	Pittsburgh, Pa.	KDKA	1020
Buffalo, N.Y.	WBEN	930	Portland, Me.	WCSH	970
Charleston, S.C.	WTMA	1250	Providence, R.I.	WJAR	920
Charlotte, N.C.	WSOC	1240	Raleigh, N.C.	WPTF	680
Cleveland, Ohio	WTAM	1100	Richmond, Va.	WMBG	1380
Columbia, S.C.	WIS	560	Rochester, N.Y.	WHAM	1180
Columbus, Ohio	WCOL	1230	Savannah, Ga.	WSAV	1340
Dayton, Ohio	WING	1410	Schenectady, N.Y.	WGY	810
Detroit, Mich.	WWJ	950	Springfield, Ohio	WIZE	1340
Florence, S.C.	WOLS	1230	Tampa, Fla.	WFLA	970
Grand Rapids, Mich.	WOOD	1300	Toledo, Ohio	WSPD	740
Greenville, S.C.	WFBC	1330	Washington, D.C.	WRC	980
Jacksonville, Fla.	WJAX	930	Wilmington, Dela.	WDEL	1150
Johnstown, Pa.	WJAC	1400	Winston-Salem, N.C.	WSJS	600
Lakeland, Fla.	WLAK	1340	Zanesville, Ohio	WHIZ	1240

1:30 P.M. CENTRAL WAR TIME

Amarillo, Texas	KGNC	1440	Louisville, Ky.	WAVE	970
Birmingham, Ala.	WBRC	960	Madison, Wis.	WIBA	1310
Bismarck, N.D.	KFYR	550	Mankato, Minn.	KYSM	1230
Bristol, Tenn.	WOPI	1490	Memphis, Tenn.	WMC	790
Chicago, Ill.	WMAQ	670	Minneapolis and St. Paul, Minn.	KSTP	1500
Dallas, Texas	WFAA	820	New Orleans, La.	WSMB	1350
Duluth, Minn., and Superior, Wis.	WEBC	1320	Oklahoma City, Okla.	WKY	930
Eau Claire, Wis.	WEAU	1070	Omaha, Neb.	WOW	590
El Paso, Texas	KTSM	1380	Pittsburg, Kans.	KOAM	810
Evansville, Ind.	WGBF	1280	Rochester, Minn.	KROC	1340
Fargo, N.D.	WDAY	970	St. Cloud, Minn.	KFAM	1450
Fort Wayne, Ind.	WGL	1450	St. Louis, Mo.	KSD	550
Fort Worth, Texas	KGKO	570	San Antonio, Texas	WOAI	1200
Hattiesburg, Miss.	WFOR	1400	Shreveport, La.	KTBS	1480
Indianapolis, Ind.	WIRE	1430	Sioux Falls, S.D.	KSOO	1140
Jackson, Miss.	WJDX	1300	Springfield, Mo.	KGBX	1260
Kansas City, Mo.	WDAF	610	Terre Haute, Ind.	WBOW	1230
Kingsport, Tenn.	WKPT	1400	Tulsa, Okla.	KVOO	1170
Laurel, Miss.	WAML	1340	Wichita, Kans.	KANS	1240
Little Rock, Ark.	KARK	920			

12:30 P.M. MOUNTAIN WAR TIME

Albuquerque, N.M.	KOB	1030	Phoenix, Ariz.	KTAR	620
Billings, Mont.	KGHL	790	Pocatello, Ida.	KSEI	930
Boise, Ida.	KIDO	1380	Salt Lake City, Utah	KDYL	1320
Bozeman, Mont.	KRBM	1450	Tucson, Ariz.	KVOA	1290
Butte, Mont.	KGIR	1370	Twin Falls, Ida.	KTFI	1270
Denver, Colo.	KOA	850	Yuma, Ariz.	KYUM	1240
Helena, Mont	KPFA	1240			

11:30 A.M. PACIFIC WAR TIME

Bakersfield, Cal.	KERN	1410	Sacramento, Cal.	KFBK	1530
Fresno, Cal.	KMJ	580	San Francisco, Cal.	KPO	680
Los Angeles, Cal.	KFI	640	San Diego, Cal.	KFSD	600
Medford, Ore.	KMED	1440	Seattle, Wash.	KOMO	950
Portland, Ore.	KGW	620			

STATIONS CARRYING ROUND TABLE BY TRANSCRIPTION

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SUGGESTED READINGS

ARMSTRONG, O. K., "Barriers between the States Must Go!" *Reader's Digest,* April, 1942.

GALLUP, GEORGE, "You Can Run Your Government If—" *Reader's Digest,* July, 1942.

LUTZ, H. L., "Can Local Government Survive? Federal Taxation and the States," *Vital Speeches,* September 15, 1942.

[PRINTED IN U·S·A]